



# Alaska State Legislature

## Senator Matt Claman

Session: State Capitol, Rm 429 Juneau, AK 99801 Phone: 465-4919

Interim: 1500 W. Benson Blvd., Anchorage, AK 99503 Phone: 269-0130

### Senate Bill 46

Sponsor Statement – Version N

*"An Act relating to education funding; relating to the public education fund; relating to the base student allocation; and providing for an effective date."*

Senate Bill 46 will help address the public education funding crisis in Alaska. Public education funding is a significant topic for the state legislature. Currently, Alaska faces challenges with school closures and increasing class sizes coupled with the loss of experienced teachers and staff due to budget constraints.

The legislature is constitutionally mandated to establish and maintain a system of public schools open to all children of the State. Currently, a key component of funding this constitutional mandate is the Base Student Allocation (BSA). The legislature established the BSA in 1998 and it is one part of a calculation that establishes the Basic Need of funding per student. But the BSA has been consistently underfunded and does not keep up with inflation. Since FY 11, the legislature has increased the BSA on four occasions totaling \$230. According to the Anchorage School District, we would need to increase the FY 26 BSA by \$1,963 to match the buying power of the FY 11 BSA. In the same 15-year period, we've added Outside-the-Formula (OTF) funding 11 times. The BSA structure with multiple OTF appropriations is confusing and ineffective. Schools, parents, and teachers are unable to effectively plan or budget for the next school year.

Instead of trying to use the BSA, this bill proposes a single, direct appropriation for public education, similar to the funding process used for all other state departments. This bill will shift the focus of the funding discussion from the BSA to a well-defined total appropriation for public education. It will streamline the funding process from two steps to one. The funding formula considering factors such as the number of students, school size, cost of living, special education needs, and career and technical education will remain in place. In addition, the bill mandates increased transparency by requiring the governor to publish prior year education expenditures, adjusted for inflation, to serve as a baseline for the upcoming budget.

Public education is our best investment in Alaska's future. This bill will establish a more transparent mechanism for funding public education that keeps pace with inflation and contributes to improved student performance.